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UNCLAS ROME 004678

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STATE PASS RDOWNES
USTR FOR JGRIER
USDOC FOR SPIETAN & JLIUZZI

E.O. 12958: N/A
TAGS: ETRD IT WTO
SUBJECT: Italy: WTO Government Procurement Agreement Market
Access Revision.

Refs: A) STATE 214729, B) Rome 04236 C) Reddy-Downes e-mails D) Dilworth -Ippolito telecon

- 11. This message responds to reftel A request for our suggestions on possible areas for expansion of Italy's market access commitments under the World Trade Organization (WTO) Government Procurement Agreement (GPA).
- $\P 2$. The following are Embassy responses to questions A to D of reftel A para 5.

Question A. According to Italy's annex to the EU Directive on Government Procurement (WT/Let/472, dated May 1, 2004), there are seventeen central contracting authorities subject to the EU Directive and the WTO Government Procurement Agreement, including the Presidency of the Council of Ministers and sixteen other central government ministries. Separate annexes to the Directive (Annexes 2 and 3 of Appendix I to WT/Let/472) list a number of local and/or specialized bodies that adhere to the Directive, including the Agency for Promoting Development of the Mezzogiorno, port and airport authorities (for supplies only), the Consortia for Water Engineering Works, and others. GOI contacts report there are over 22,000 contracting agencies at both the central and local levels, with the latter including Regions, Provinces, Municipalities and entities owned by Municipalities.

We are not aware of any central or local Italian government entity, not covered by the Annexes, undertaking procurements in which U.S. companies have been prevented from participating.

Question B. We are not aware of any services areas in which U.S. companies have sought to participate, but have been excluded, taking into consideration EU (and therefore, Italian) derogations from the provisions of Article III of the EU Directive on Government Procurement.

Question C. The general notes and derogations from Article II of Appendix I of the EU Derogation exclude U.S. suppliers and service providers from the award of services/supply contracts to airports, water, and urban transport providers. Embassy believes these are areas that could be opened to U.S. firms.

Question D. See response to Question C directly above.

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